

# **Request for Qualification (RFQ) for Agency Selection**

## **Utah Division of Housing and Community Development Transit-Oriented Development (TOD) Loan Guarantee Fund March 13, 2014**

The Utah Division of Housing and Community Development (HCDD) acting in behalf of the Olene Walker Housing Loan Fund (OWHLF) Board (per Utah Code 35A-8-503 paragraph 5b and 35A-8-505 paragraphs 1e and 2c) requests qualifications from non-profit agencies to administer a Transit-Oriented Development Loan Guarantee Fund in accordance with applicable rules and regulations of the U.S. Department of Housing and Urban Development HOME Program and Olene Walker Housing Loan Fund Program Guidance and Rules. OWHLF funds shall be awarded to the nonprofit agency deemed most qualified with the proposal most advantageous per the scoring criteria.

Due to a federal funding deadline, it is the intent of the Olene Walker Housing Loan Fund Board for HCDD to review and rank applications that have been submitted by the Specified due date and issue this award at the April 22, 2014 Quarterly Board Meeting (or at a later publicly noticed meeting of the Board) in conjunction with other multifamily proposal reviews, funding decisions, and board business.

The Division intends to issue approximately \$5 million in total funding to the successful proposing agency for a Transportation Oriented Development Fund that will provide loan guarantees for third-party financing to multifamily developer agencies. It is the intent of the OWHLF Board for loan guarantee funds to perpetually revolve to other developments as loan guarantees are fulfilled.

The goal of the program is to increase the number of multifamily affordable units produced in Utah to meet the needs of Utah's growing population while integrating those projects into area transit oriented development (TOD) zones. All information received or created for each loan guarantee must be made available to HCDD for monitoring and audit purposes.

Based upon the deliverables accomplished by the agency selected under this RTQ process, the Board may choose to initiate future awards to the same nonprofit agency through publicly noticed, regularly scheduled meetings of the OWHLF Board.

### **SCOPE OF WORK:**

The agency is expected to:

1. Leverage funding from other financial institutions for each dollar of loan guarantee funding,
2. Provide loan guarantees as first loss/supportive capital for periods not to exceed 30 years per project,
3. Target developments as TOO and affordable to lower income households by targeting no more than 80% of the area median income for the population served by each development,
4. Work with HCDD staff to review underwriting criteria and processes for proposed projects,

5. Maintain supportive relationships with financial institutions interested in allocating Community Reinvestment Act funds toward eligible projects,
6. Maintain formal policies and procedures to govern allocation of loan guarantees,
7. **Provide loan documents and "service" loan guarantees,**
8. Manage the escrow fund that serves as the loan guarantee fund including accrual of interest,
9. Meet all HCDD repmtng requirements on a quarterly basis,
10. Work with HCDD to guarantee that the housing units constructed are inhabited long-term for lower income populations at or below 80% AMI,
11. Insure that all projects with funds guaranteed by the Fund are completed and occupied within four (4) years of the construction start date,
12. Establish an acceptable working budget for administering the loan guarantee program and manage all funds received in accordance with applicable federal and state rules and regulations and in accordance with generally accepted accounting practices.

#### EVALUATION OF AGENCY QUALIFICATIONS:

An analysis and evaluation of all proposing agencies' qualifications will determine the best-qualified agencies. The following criteria will be used to evaluate agency responses:

- I. **Transit Oriented Development Fund-** Does that agency possess a specifically designated transit oriented development fund that focuses on housing development projects for lower income populations (<80% AMI)? Provide a copy of the agency policies and procedures for the TOO fund.  
  
Points shall be scored as follows:
 

a) Yes- the TOO fund is in place	+ 20 Points
b) No- the TOD fund is not in place	+ 0 Points
  
2. **References-** Has the agency provided at least three (3) separate letters of interest from financial partners agreeing to participate on the TOD project funding?  
  
Points shall be scored as follows:
 

a) Total letters of funding of at least \$30 million	+ 30 Points
b) Total letters of funding of at least \$10 million	+ 10 Points
c) Less than \$10 million in funding	+ 0 Points
  
3. **Commitment to Affordable Housing-** Does the agency's mission statement describe a commitment to affordable housing (meeting the needs of households with less than <80% AMI)?  
  
Points shall be scored as follows:
 

a) Yes	+ 10 Points
b) No	+ 0 Points
  
4. **Expertise-** Does agency staff possess current experience and expettise in project financing and understanding development processes including land acquisition, predevelopment, term ±inancing/loans, and construction management?

Points shall be scored as follows:

- |                                      |             |
|--------------------------------------|-------------|
| a) Exceptional and current expertise | + 10 Points |
| b) <b>Some current expertise</b>     | + 5 Points  |
| c) <b>No current expertise</b>       | + 0 Points  |

5. **Utah-based-** Is the agency Utah-based and directed?

Points shall be scored as follows:

- |        |            |
|--------|------------|
| a) Yes | +20 Points |
| b) No  | + 0 Points |

6. **Project Availability-** Does the agency currently possess a portfolio of projects ready for funding and development? (Provide letters of interest from developer partners along with site and project descriptions).

Points shall be scored as follows:

- |                                            |             |
|--------------------------------------------|-------------|
| a) Letters totaling at least \$3.5 million | + 10 Points |
| b) Letters totaling at least \$2.0 million | + 5 Points  |
| c) No letters                              | + 0 Points  |

**DUE DATE:**

Responses should not exceed 25 pages plus supporting documentation. Agencies may submit their responses via mail, FAX, or email. But, all responses are due to the following address by 12:00 noon on April 16, 2014:

Submit proposals to:

Shelli Glines

1385 South State, SLC, Utah 84115

PHONE: 801-468-0144

FAX: 801-468-0211

[sglines@utah.gov](mailto:sglines@utah.gov)